

Is the Family a Spontaneous Order?

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The thirty or so years since F. A. Hayek was awarded the Nobel Prize in Economic Science has seen a steady growth in what might best be termed “Hayek Studies.” His ideas have been critically assessed and our understanding of them has been deepened and extended in numerous ways. At the center of Hayek’s work, especially since the 1950s, was the concept of “spontaneous order.” Spontaneous order (which would be more accurately rendered as “unplanned” or “undesigned” or “emergent” order) refers, at least in the social world, to those human practices, norms, and institutions that are, in the words of Adam Ferguson, “products of human action, but not human design.” For Hayek, this concept was central to his critique of “scientism,” or the belief that human beings could control and manipulate the social world with the (supposed) methods of the natural sciences. The concept of spontaneous order provided a framework for seeing that social institutions not only *could* emerge without human design, but that they worked better when they did so.¹ In the wake of Hayek’s work, the concept of spontaneous order has been applied to a variety of phenomena, both in and out of economics.

However, one institution that has not been looked at in any in-depth way through the lens of spontaneous order theory is the family.² For example, in the thousands of pages Hayek wrote, mentions of the family are very few and quite far between, and even those mentions are rarely beyond a few sentences about the general importance of families to the liberal order. This neglect is unfortunate because the family is indeed central to the functioning of the Great Society and understanding its relationship to spontaneous order theory might shed important light on those relationships.

Like most seemingly simple questions, the one that provides the title for this paper does not have a simple answer. Asking the question, however, allows us to explore the issues surrounding both the concept of spontaneous order and the social institution of the family in ways that advance our understanding of both. What I will argue below is that the answer is twofold: “It depends” and “Maybe.” The “it depends” part refers to whether we are talking about the institution of the family as it has existed through time (what we might call the “macro” view of the family), or we are talking about the operation of individual families (or the “micro” view). I will argue that if we are looking at the institution of the family through time, it is undoubtedly a spontaneous order, as its evolution has followed an unplanned but orderly process. However, if we are looking at how individual families operate, the answer is “maybe.” The “maybe” is not so much a matter of ambiguity as it is the observation that individual families may be undergoing a change in which an increasing number are taking on more of the characteristics of spontaneous orders. This would be in clear contrast to the ways families have operated for most of human history, which is much more like what Hayek would call an “organization” or “made order.” Below, I explore this transformation in more detail and offer an explanation of the changes in the “micro” family that is rooted in the longer-term historical evolution of the “macro” family.

Orders and organizations in Hayek’s social thought

In exploring the question posed by my title, it is important to start by making clear the framework that Hayek uses to talk about spontaneous orders. As central as that concept is to his thought, not all social institutions are spontaneous orders. In the first

volume of *Law, Legislation, and Liberty*, Hayek (1973) clarifies this point by distinguishing between what he calls “orders” (spontaneous orders) and “organizations” (or “made orders”). Organizations were planned institutions, what the economist Carl Menger (1985 [1883]) in his work termed “pragmatic institutions.” At various points in the *Law, Legislation, and Liberty* trilogy Hayek uses other terminology to describe the same essential distinction. He introduces the Greek terms “taxis” and “kosmos” to refer to “made” and “grown” orders respectively. In his later discussion of economic order more specifically (1977, chapter 10), he uses “economy” to describe the made orders of the firm or household, and “catallaxy” to describe the grown order of the broader market that emerges from exchange (the word “catallaxy” derives from the Greek word for exchange). All of these various bits of terminology are driving at a consistent distinction that matters greatly for the argument below. I will try to use the terms “spontaneous order” and “organization” to distinguish between those institutions that emerge unplanned and those that are intentional human creations.

One key implication of this distinction between spontaneous orders and organizations is that the broader spontaneous order of the Great Society (Hayek’s term for the over-arching spontaneous order of civilization) is comprised of a variety of organizations. It is those organizations, especially households and firms, whose interactions produce the emergent and undesigned order he calls the Great Society. The two categories of human institutions are therefore inextricably linked. It is organizations that contribute to the emergent spontaneous order and, importantly, it is the emergent order that serves as the necessary backdrop for the functioning of the organizations. For example, as Lewin (1998) argues, although it is the interaction of firms engaged in very

intentional planning that comprises the unplanned order of the catallaxy, those firms can only engage in their intentional planning because they can construct budgets and balance sheets that make use of the spontaneously emergent prices of the marketplace. More generally, organizations draw from the broader order in the very actions that make them part of the unplanned order that then emerges from those actions.

For our purposes, it is important to make clear some distinctions between the ways in which spontaneous orders and organizations operate and under what conditions one or the other will be more appropriate.³ Although the distinction between spontaneous orders and organizations is better conceived of as along a continuum than as a pure dichotomy, nonetheless one major criterion for distinguishing between the two is the degree of simplicity or complexity involved. Organizations are structures that are simple enough so that those at the top are capable of comprehending it. Hayek (1973, p. 38) also argues that organizations are usually directly perceivable by inspection and are able to serve the specific purpose(s) of those who constructed them. This contrasts with spontaneous orders, such as the market or the Great Society more generally, which can be of any degree of complexity, are rule-based, have structures that may not be obvious, and serve no particular purpose. Instead they serve the various purposes of those who participate in them. For example, a firm has a very specific purpose, which is to maximize profits, whereas something like a language or a market has no specific purpose, rather they exist to serve a multitude of purposes determine by those who make use of them.

One of the key differences between organizations and spontaneous orders is that the former are structured by hierarchy and command, while the latter are based on rule-

following behavior. The relative simplicity of organizations combined with an agreed upon and unified goal or goals enables them to be structured hierarchically and to make use of command as the primary way of allocating resources within the organization. Those at the top of the hierarchy can sufficiently survey the organization to understand the link between means and ends directly. For example, managers can direct employees to one or the other part of the factory, or a military commander can direct troops toward one location or another, or a baseball manager can ask a player to sacrifice bunt in a particular situation. At some level, the employees, soldiers, and players are all agreeable to this arrangement because they can understand their place in the organizational structure and how it contributes to the agreed upon ends.⁴ Organizations can also lend themselves to forms of participatory decision making where the group as a whole decides what commands will order their activities. What is distinctive is that the sphere of action of individuals is circumscribed by commands intended to serve the unified end of the organization.

Spontaneous orders operate on the basis of abstract rules that guide the behavior of the individuals and organizations that comprise them. Importantly, those rules are, as Hayek terms them, “ends-independent” in the sense that the rules enable individuals to pursue a multiplicity of ends, rather than being geared toward a specific, agreed upon end as in organizations. These rules are most often framed negatively, as in “do not steal” or “do not coerce others.” Where framed positively, they are sufficiently abstract to permit them to serve a variety of purposes, e.g., “respect property and live up to contracts.” In neither of those cases does the rule specify what is to be done with the property or what is being contracted for. Such rules simply indicate that *whatever ends one has, these are*

the rules one must follow to pursue them. When the relevant rules are followed by the component parts, orders emerge spontaneously from the actions of those parts. The parts will behave in ways that are generally predictable to each other and that enable them to evolve in increasingly complex ways. Understanding spontaneous orders requires discerning how the rules serve to coordinate the activities of a number of constituent parts all pursuing different ends. In circumstances where there are a large number of people all pursuing different ends, it would make sense to try to find some way to engage the forces of spontaneous order to coordinate their activities.

In contrast, in cases where a group is small and homogenous and has an agreed-upon specific purpose in mind, making use of a “made order” would be more appropriate (Hayek 1973, p. 46):

In any group of men of more than the smallest size, collaboration will always rest on both spontaneous order as well as on deliberate organization. There is no doubt that for many limited tasks organization is the most powerful method of effective coordination because it enables us to adapt the resulting order much more fully to our wishes...

For the numerous limited and specific tasks that occupy most of our days, deliberate organizations work better than spontaneous orders because we are able to consciously construct them to achieve the agreed-upon goals. It is when coordination *among* these organizations, each having different purposes, is necessary that we must rely on spontaneous ordering processes. The Great Society, in Hayek’s view, is the spontaneous order that emerges from the mutual interaction of these deliberate organizations as each

pursues its plans within the rules of the legal order. Hayek (1973, p. 46) describes the process as follows:

The family, the farm, the plant, the firm, the corporation and the various associations, and all the public institutions including government, are organizations which in turn are integrated into a more comprehensive spontaneous order.

It is noteworthy that the family occupies the first place on his list of organizations.

In *The Fatal Conceit*, Hayek makes this point even more strongly by drawing an even clearer distinction between what he calls the “micro-order” of the various organizations and the “macro-order” of the Great Society. Ultimately, he argues, the rules and procedures of the one cannot be applied to the other without doing great damage to it:

If we were to apply the unmodified, uncurbed, rules of the micro-cosmos (i.e., of the small band or troop, or of, say, our families) to the macro-cosmos (our wider civilization), as our instincts and sentimental yearnings often make us wish to do, *we would destroy it*. Yet if we were always to apply the rules of the extended order to our more intimate groupings, *we would crush them*. So we must learn to live in two sorts of worlds at once (Hayek, 1988, p. 18, emphasis in original).

This notion of living in “two sorts of worlds at once” refers to the fact that our daily existence involves moving back and forth between organizations and spontaneous orders and therefore requires that we differentiate between them and understand the processes by which each operates.

Another central distinction between the micro- and macro-order is the degree of anonymity among the actors. It is much easier to make use of made orders where individuals have a significant degree of face-to-face contact and are aware of what each other might know or might prefer. Finding agreement upon the ends and employing the command or intentionally cooperative (as opposed to rule-based) structures that often characterize organizations are much more possible if individuals have a high degree of familiarity (note the etymology there) with each other. As a result, organizations are often built around belief systems or aspects of one's identity that make the common goals of the organization more obvious and easier to agree on, e.g., a church or an ethnicity-based service organization. There is perhaps no human institution that involves more direct face-to-face interaction than the family.

The market and other spontaneous orders, by contrast, are processes of anonymous interaction. We do not know the "others" with whom we are interacting in sufficient depth to be able to appeal to their love for us or their knowledge of us when trying to get them to act in the ways we desire. We must rely on, as Adam Smith (1976 [1776], p. 18) put it, their "self-love" and get them to cooperate through exchange. For example, the rules of the market, and the other institutions that comprise it, enable people to interact and cooperate without needing to know very much detail about others. However, that cooperation is the unintended result of self-interested, rule-following behavior under the right institutional framework, in contrast with the cooperation that takes place within organizations, including perhaps the family, which is intentional cooperation toward a narrow range of agreed-upon ends.

This admittedly brief discussion only scratches the surface of the orders and organization distinction. However, it provides enough of a framework to proceed to examining the family in its light.

The history of the western family from a spontaneous order perspective

The one version of the title's question that has an unambiguous answer of "yes" is the one that refers to the "macro-evolution" of the family. The family as it currently exists, and certainly in the modern Western world, is clearly the product of human action but not human design. Like other institutions, such as the market, law, money, and language, no one invented or designed the family; it emerged from and transformed during a long process of evolution as a functional response to various human needs. It was not the product of conscious human design.⁵ Also like those other institutions, its form has changed over time in response to changes in the functions that it needed to perform, themselves often the result of changes in the economic, political, social, cultural, or technological environment in which the institution operated.⁶

This distinction between the family's *form* (or its structure) and the *functions* it performs is crucial for the discussion to follow. Too often, popular commentary on the family moves between those notions without realizing it and assumes that particular forms are ipso facto more functional. It is also evident when the phrase "the traditional family" comes into play. This phrase, as we shall see, is highly misleading. It often seems to refer to a particular family form (the conjugal, nuclear, heterosexual family) but sometimes seems to refer to things that the family does (e.g., socialize children). The phrase is misleading because the forms that the family has taken and a good number of its

functions have changed over the course of history, and the form that is most often associated with “traditional” is, in fact, the rather recent product of a confluence of unique historical factors, making it something much less than “traditional.” Some history of the family may help to clarify these issues. Doing justice to the complex and fascinating history of the family in a few pages is simply not possible. The stylized history I offer below highlights those elements that are most relevant to a spontaneous order approach.

When looking at the entire span of recorded human history, the family, for almost all of that time, has served as the central economic and political institution of the social system. The core of the family was its role in fulfilling a variety of necessary economic and political functions, and the centrality of fulfilling those functions determined the forms that family took. In pre-agricultural times, the creation of a family through marriage was a way of extending the network of cooperation and self-defense beyond one’s own direct kin (Coontz 2005). Like the gift-giving and then the early forms of inter-group exchange that replaced it, marriage was a way of uniting groups in mutual self-interest. In the case of marriage and family, it was turning strangers into family through the relationship of the married couple and the fact that their children were members of both extended families:

[I]n early human societies, marriage was primarily a way to extend cooperative relations and circulate people and resources beyond the local group. When people married into new groups, it turned strangers into relatives and enemies into allies.

(Coontz 2005, p. 44)

As Coontz also points out, in this pre-agricultural world, the marital dyad could not survive outside the extended kin groups. The notion of the newly married couple going off on their own in a private nuclear family disconnected from the band was not possible given the day-to-day existence of hunting and gathering. Larger social groups were necessary and married couples were simply integrated into larger tribal or kin groups. As with the rest of the history of the family, form largely followed function, as the necessities of economic survival and the reduction of conflict made the tribal extended family the predominant “family form.” These extended cooperative kin networks were concerned both with the sharing and distribution of resources as well as promoting peace as opposed to conflict. In that sense, marriage and the creation of new families was both an economic and political act, even in pre-agricultural societies.

With the coming of sedentary agriculture, the family remained centrally an economic and political institution, but the nature of its economic and political functions changed and the structure of families changed with them. Among the very few at the top of the economic ladder, who lived off the toils of others and for whom economic considerations were secondary, the family was primarily a political institution. Where ownership of large amounts of land or the command of armies were in play, the stakes were too high to allow young people freedom to choose a spouse, thus marriages were frequently arranged by powerful parents to meet the pressing political needs of the day. As in early societies, marriage and family formation was a way to create allies and ensure access to resources. For young people, the notion of choosing a spouse and choosing one on the basis of love was literally inconceivable.

For the vast majority of families scraping a living off the land, the family was almost exclusively an economic institution. Family members were resources to be devoted to agriculture (or perhaps small crafts) under the leadership of the husband/father. With very thin to non-existent markets, families had to be mostly self-sufficient in order to survive, so all other considerations were secondary to ensuring that the economic functions were fulfilled. The result was a family structure that differed from what came before and what was to follow.

Sedentary agriculture allowed the marital dyad to separate from the larger kin network, as being able to work the land provided for a more stable supply of resources. However, this was not the “conjugal nuclear family” of modern times. Marriages were still sometimes arranged and even where consensual, they were not matters of love and affection. As Edward Shorter (1975, p. 55) argues, marriage at the time was “usually affectionless, held together by considerations of property and lineage [and] this emotional isolation was accomplished through the strict demarcation of work assignments and sex roles.” Wives were treated no better than the cattle, and in some cases worse. Shorter (1975, p. 57-58) notes that husbands were more likely to call for veterinary help for a sick cow than medical help for a sick wife “because in the last analysis, a cow was worth much more than a wife.” After all, it was expensive to replace a cow, while a wife could be found with very little expense.

Children too fell under this calculative mentality, as couples generally tried to produce as many children as they could, subject to both the high rates of infant and child mortality and the wife’s attempts to avoid the physical demands and dangers of pregnancy and childbirth. Children were not treated with the sentimentality that

characterizes modern families. In infancy, many were farmed out to wet-nurses, whose level of care for them ranged from indifferent to hostile and would, today, get them immediately charged with child abuse or neglect. Others were entrusted full-time to elderly relatives or siblings not much older. Why would parents farm out their infants that way? The reality was that the mother's time was more valuably spent working the land than tending to the child for the first few years. Parents in some sense loved their children, but the pressing demands of economic survival could not afford them to indulge their sentimentality. These structural features of the family were adaptations to the very real functions that had to be fulfilled.

Finally, the pre-industrial family was not a realm of "privacy" as we would understand it today. Even though the married couple was able to live and survive physically apart from the broader community, extended kin and neighbors still had a significant stake in the family fulfilling its economic functions, as the razor-thin margin of survival depended upon everyone performing the roles assigned to them. The community intervened in the family in a variety of legal and informal ways. The law punished adultery, fornication and sodomy and made divorce very difficult if not impossible. Some American colonies had laws prohibiting single adults from living outside of a family unit (D'Emilio 1993). Informal mechanisms included a variety of forms of community monitoring, the most structured of which were the "charivaris" of peasant Europe (Shorter 1975; D'Emilio & Freedman 1989). The charivari was a technique of community disapproval where persons who behaved contrary to expected family-related norms, but not necessarily in violation of the law, were subjected to large, noisy protests which often involved public shaming of one sort or another. These were

effective ways of ensuring that family members lived up to their social obligations, but they were methods that have fallen by the wayside for the modern family.

The advent of capitalism and industrialization in particular were the causes of a major change in the functions of the family that, in turn, caused further evolution of its typical form. Over the course of the 18th and 19th centuries, capitalism slowly eliminated the major economic functions of the family. The factory separated “work” from “family” significantly for the first time in human history, with tremendous consequences for the family. At first, husbands, wives, and children participated in factory work, with women and children eventually retreating to the household as men’s wages rose to levels that enable families to survive on one income. The key, however, is that the family progressively lost its role as a production unit as industry and the professions slowly replaced agriculture.

Victorian Era domesticity stepped in to fill the gap created by the loss of the family’s role in market production. Marriage became increasingly about love as couples no longer needed to worry about whether they were a good economic partnership, and could be concerned with the emotional satisfaction that the relationship might produce.⁷ With increased wealth and a lower opportunity cost of their time, both parents and children were able to indulge in the sentimentalization of family and home that we now associate with the family. The Victorian concept of the “separate spheres” assigned women the task of managing the private domain of the home and men the public sphere of the market and politics, all in the name of “equality,” while at the same time the development of the love-based marriage promised an emotional relationship of equals in the home. Rather than the calculative attitude toward children which saw them as little

adults, the Victorian Era adopted the notion of the “sheltered childhood,” in which children were to be protected from the rigors of the adult, public world and given time to play and get education and generally be treated as naïve and innocent. The family began its march toward the private, intimate, conjugal, nuclear family, insulated from communal and state intervention, that was to dominate the 20th century.

Of importance for the perspective taken here is the point that this evolution was the “result of human action and not human design,” as the evolution of the form of the family followed in the wake of changes in its primary functions. The pre-modern family, with its affectionless marriages, instrumental treatment of women and children, and high degree of community intervention was a form that made sense given the core economic functions of the family. As those core functions changed, individuals were led, by, as it were, an invisible hand, to adopt differing family forms that better matched their preferences by addressing the changing familial functions. In general, the story of the evolution from the “traditional” to the “modern” family is both orderly and undesigned. In that sense, the macro-evolution of the family is a spontaneous order story.⁸

The family as a Hayekian organization

In light of this history, the argument that the family’s internal structure (the “micro” view) more resembles a Hayekian organization than a spontaneous order is fairly straightforward. Certainly for the several millenia where agriculture was at the center of the economy and human families were structured around ensuring that there was enough land to be farmed and food grown from it, the family had most, if not all, of the characteristics of an intentional organization. One way of seeing this point is that for

most of human history, the family could be very usefully analogized to a firm because that is what most families were in essence. From a Hayekian perspective, the firm is often the first economic example of an “organization” that comes to mind.⁹ Like all analogies, however, this one has its limits.

The ways in which the family is usefully understood as an organization begin with two observations: families are, as noted earlier, intensely face-to-face institutions, and they have mostly also been ones in which there is a sense of collective purpose and a limited number of ends to which the individuals within them work toward. As such, families can be structured by command and hierarchy rather than abstract, ends-independent rules. For most of human history, this was precisely how families in fact operated, with the father/husband at the top of that hierarchy deciding how resources, both human and otherwise, should be allocated toward that limited number of ends. The relationships among those resources and the limited ends to which they could be put were simple enough for one person to survey and therefore to allocate them according to his judgment. As Mises has argued more generally, where the relationships among inputs and outputs are few and straightforward, the institutions of the market can be dispensed with and individual judgments of value can be used. His example is that of the household:

Only under very simple conditions is it possible to dispense with money calculations. In the narrow circle of a closed household, where the father is able to supervise everything, he may be able to evaluate alterations in the methods of production without having recourse to money reckoning. For, in such circumstances, production is carried on with relatively little capital. Few

roundabout methods of production are employed. As a rule production is concerned with consumption goods, or goods of higher orders not too far removed from consumption goods. (Mises 1981 [1922], p. 101)

Members of such households also know each other intimately, which enables them to make more accurate judgments of each other's preferences and abilities and their degree of "fellow-feeling" makes it less likely that they will resist or shirk responsibilities assigned to them from above.¹⁰

In earlier times, it was easier to specify the collective ends to which the family worked, as economic survival was the major one, with socializing children a distant second, and personal happiness, in some psychological sense, even less important, if even present. The presence of a nearly-singular end and collective understanding of, and agreement on, that end, made it much easier for the family to operate as a "made order." In these ways, it paralleled other made orders, such as the military, in its hierarchy and command structure. Allowing family members to pursue their own ends, or to choose how they would apply themselves to the agree-upon ends, would undermine the success of the family, which was especially dangerous when that success involved the margin of economic survival. In much the same way that the military cannot tolerate the pursuit of individual ends or any real degree of lower-level independent decision-making, neither could families for most of human history.

All families with children involve some significant degree of hierarchy and command, as infants and younger children are not cognitively able to pursue their own ends even if the family were able to tolerate such pursuit by adults. So at least for

younger children, functional families will always have strong elements of intentional organization as the direction of children is a crucial part of their socialization.

Some might object to this whole line of argument by pointing out that families in the 20th century became increasingly “democratic,” which might undermine some of the arguments for viewing the family as an organization. It is certainly true that the increased political, economic, and social equality of women, along with the extension of the sentimentalization of childhood to a more robust conception of children having rights and freedoms that more closely approach those of adults, have both led families to be more collaborative and collectivist than purely hierarchical. Major family decisions are more often made through the participation of all rather than paternal fiat.¹¹ This element of democracy has surely made families somewhat more rule-oriented and less hierarchical, but it remains the case that “democracy” in the family (though less so in the marriage more narrowly) is at the whim of the parents and is more an act of indulgence on their part, perhaps for good reason, than a deep structural change. It remains legally the case that the parents still hold most of the rights and can choose to reinstate hierarchy at any time. Moreover, the democratizing of some decision-making processes is still largely in service of a very narrow set of agreed-upon ends. Individuals need not have gained any more ability to pursue their own ends, but perhaps just a voice in what means get used to serve the collective ends of the family. In the context of the family, less hierarchy and more democratic decision-making processes are not necessarily signs of a structural shifting from a made to an undesigned order. That shift may well be occurring, but for different reasons.

Changing family functions and the family as more like a spontaneous order

The history of the family presented earlier brought us up to the early 20th century and the family structure that was implicitly at the center of the discussion in the last section seemed very much like one out of some point in the mid-20th century. In this section, I want to argue that the family has changed in some important ways over the course of the last 100 years and that as those changes have spread to more and more families, the case for viewing the “micro” family as having more elements of a spontaneous order has grown stronger.

The continued loss of the family’s economic functions is the catalyst for these ongoing changes in the family. Over the 20th century, not only did the trends toward love-based marriage and the sheltered childhood continue, they expanded in important ways. Marriage has become increasingly invested with our highest interpersonal and emotional aspirations, especially as the 20th century saw the sexual component of marriage become more and more central to the couple’s satisfaction with the relationship.¹² At the same time, the increased economic status of women, through both increased labor force participation rates and higher wages, enabled them to leave marriages that did not satisfy these high expectations.¹³ Economically, these represented changes in preferences and constraints that were mutually reinforcing in increasing the divorce rate and increasing the median age of first marriage. As new technologies made it possible to take care of the tasks of household production with less and less labor time, those economic functions of the family declined as well, and also contributed to the increase in women’s labor force participation by lowering the opportunity cost of working outside the home. Rising wages for men and women also enabled families to

purchase more and more household production substitutes on the market, e.g., child care, housecleaners, dry cleaning, and restaurant meals. This further reduced the economic functions of the family.

The post-industrial trend toward smaller families has also continued apace, with the average number of children per married couple continuing to fall and one-child families becoming increasingly common, and the children families do have receiving increasing amounts of parental and material investment in their human capital.¹⁴ The sheltered childhood of the Victorian Era has been transformed into the “extended adolescence” of the new century and the over-involved “helicopter parenting” that characterizes many families, especially those in the middle class and higher.

One way to understand the relationship between these developments and the loss of the economic functions of the family is through Abraham Maslow’s (1943) famous “hierarchy of needs.”¹⁵ Maslow argued that human behavior could be understood in terms of our desires to fulfill a number of different needs that could be arranged in an order of priority or a hierarchy. At the bottom of the hierarchy, Maslow had the physiological and then the safety needs. As humans begin to meet their physiological needs in order to survive, they will then turn to secure their safety. After safety, the next higher needs are the love need, the esteem need and, at the top, the self-actualization need. Maslow was clear to argue that this was not a strict hierarchy in that one need did not need to be completely met before people moved on to the next one. We could be attempting to satisfy multiple needs simultaneously. However, he was clear to say that the hierarchy represents the general order in which people will proceed, moving up as they meet lower needs to increasingly high degrees.

As families have increasingly solved their more basic needs through other institutional arrangements, the family has been able to move up the Maslow hierarchy and concern itself with the higher order needs. For most of human history, the family functioned as an institution mostly concerned about addressing the physiological and safety needs. In the immediate post-industrial era, the love needs began to play a larger role as families could afford to indulge their preference for affection-based relationships as an increasing number no longer operated at the margin of survival. With the increased political and economic equality of women, as well as the evolution of the sheltered childhood, families increasingly began to be places where the esteem needs of the members could be met. As the economic functions exited, that vacuum was filled by the personal, emotional, and psychological desires of the members, paralleling Maslow's hierarchy. Men and women began to see marriage and family not as a way to secure themselves economically or physically (that was quite possible as a single person in a way it had not been before industrialization and first wave of feminism), but as a way to satisfy other sorts of needs, mainly those for love and companionship. The changes in the nature of childhood were similar.

In the last generation or two, the family might best be seen as institution whose function is increasingly about the need for self-actualization, or the realizing of one's potential, that sits at the top of Maslow's hierarchy. The decision to marry or not, or to have children or not, has become more often a matter of how it fits into the life plans and aspirations of the adults involved. The notion that marriage and family have some connection to the current community or to the future, or to one's ancestors, has largely disappeared. These decisions are seen almost exclusively in terms of what they do for the

person in question. All kinds of current family phenomena come into clearer focus when one sees the family's function as serving as a vehicle for the self-actualization of its members, including perhaps children, although the sort of over-involved parenting noted earlier suggests that the parents' need for self-actualization through the accomplishments of their children might trump the need to give children the tools they need to self-actualize.¹⁶

The increased centrality of self-actualization to the functions that family fulfills is also helps to see the ways in which families might be becoming more like spontaneous orders. Most obviously, to the extent that the family becomes an institution for the fulfillment of individual ends instead of collective ends, it moves toward the sort of ends-independence that characterizes spontaneous orders. Like language or money or markets, the family becomes the vehicle through which a variety of ends can be achieved, all of which fall under the broad heading of "self-actualization." This is not to suggest that the family can become as ends-independent as those other processes, but there is no doubt that the range of ends that people might seek to satisfy through the family is notably broader than a hundred or so years ago, and certainly much broader than it was for the vast majority of human history. Without a very small number of agreed-upon ends, it becomes difficult, if not impossible, for the family to be run by hierarchy or command, as the complexity of the various means-ends relationships expands exponentially. The result is that family members seem to more and more be "doing their own thing."

The loss of the not-quite mythical family dinner is some evidence for the ways in which adults and children see the family less as a site of collective activity and more as a means through which they pursue their own ends. Another example is the way in which

peer culture has, in Shorter's (1975, p. 270-71) words, taken "up the task of adolescent socialization" with the result that "parental thoughts about good and bad, right and wrong, and which way is up are becoming more and more irrelevant to them."¹⁷ The financial independence of the spouses and the children contributes to this environment. With more dual-earner families, more adults have the means to pursue their own ends, independent of any collective purpose of the family. More and more teenagers have significant income at their disposal, either from parents and/or through part-time work, enabling them to exercise degrees of independence from any collective purpose in ways previously unseen in the history of the family.

The combination of an increased abstractness of the ends pursued within the family and the increased complexity of the relationship between the members and those ends has undermined the effectiveness of hierarchy and command as internal coordination devices within the family. The result should be the increased use of coordination by abstract rules, which is a characteristic of spontaneous orders. Rather than family members being told what to do by the father, or feeling obligated to do certain things due to tradition, or collectively binding themselves to specific behaviors, we may be seeing families organized by certain rules that give individual members more scope for choice in the ends they pursue. Marriages have changed as more couples include two full-time workers, and solving the remaining tasks of household production involve less rigid roles and more flexibility in finding multiple means to achieve those ends. Another example might be couples adopting a turn-taking approach to whose job needs will determine where they might move. Adolescents are often less constrained in their choices, as parents may be more likely to impose the more general and ends-

independent rule of “be home at midnight” rather than specifying or even asking what the child is doing. A deeper exploration of a variety of family behaviors might provide additional evidence for the hypothesis that families are becoming orders more often based on ends-independent rules than hierarchy and command.

Considering the possibility of a more spontaneously ordered family brings us back to our earlier comments about the analogies between families and firms. My original claim was that the way in which families functioned as organizations was related to the fact that early families were in many ways much like firms in their role as the core unit of economic production, which were one of Hayek’s first examples of “made orders.” It would make sense, from that perspective, that as the family lost its economic functions and was less of a firm it would look less like a Hayekian organization. The argument above suggests this has been the case. However, it is also true that firms themselves have lost some of their character as strictly “made” orders. Recent work in the theory of the firm and strategic management from a Hayekian perspective has argued that contemporary firms have more characteristics of spontaneous orders than they did in the past, and that larger firms are wisely decentralizing their structures and trying to take advantage of the entrepreneurial independence of their employees to generate undesigned order within the firm (Sautet 2000). That is, firms are increasingly abandoning strict hierarchy and command for coordination via somewhat more ends-independent rules. It is interesting to think about whether there is a connection between these two developments. The most likely candidate is that firms are also climbing the Maslow hierarchy, as technological advancement has meant that a larger fraction of jobs involve intellectual and creative elements that meet higher Maslovian needs in comparison to the

relatively uninspiring work of the factory or the farm. If so, then the parallel movement of families and firms toward spontaneous order share a common underlying explanation.

The challenges facing the spontaneously ordered family

If the internal coordination processes of the (post-) modern family have changed in ways that give them more characteristics of a spontaneous order, then families will face a number of challenges in ensuring that their core socialization functions are performed. Brief discussions of two of those challenges will serve as concluding comments.

The largest structural barrier that prevents the family from moving all that far in the direction of spontaneous order is the necessity of the physical care and socialization of helpless infants and young children. It is simply not possible for human children, certainly prior to adolescence, to be able to follow their own ends by obeying abstract rules, as coordination within a spontaneous order demands. Human children require adult resource provision and decision-making on their behalf, as well as the obvious elements of feeding and care. Yes, this is obvious, but it needs to be made clear in the context of asking whether families might become even more like spontaneous orders. Children simply cannot be moral and economic agents in the way adults can. It is not called “paternalism” for nothing. Developmental psychology gives us ample reason to believe these points, and that some adult humans have to take responsibility for ensuring that children are physically cared for and develop the appropriate attachment bonds that are necessary, though not sufficient, for later psychological health (Bowlby 1973).

Adolescents also pose some problems for the spontaneously ordered family.¹⁸ By this age, children certainly have a much greater competence to be moral and economic agents, and that competence should be respected by both parents and the law. However, it is not complete; adolescents still require guidance and socialization. Shorter's observations from 30 years ago that adolescents were developing their own socialization processes through their peers seem even more true today, and this is potentially problematic. Without denying that peer socialization can be of value, the question worth asking whenever we inquire as to how children might best learn what is necessary to navigate the adult world remains: *who has the best relevant knowledge and most appropriate incentives to help these particular children acquire the necessary socialization?* The use of "knowledge" and "incentives" turns this into a Hayekian "burden of proof" for parenting argument: the default assumption should be that the child's parent(s) possess both the knowledge and incentives to have that responsibility, absent some compelling rationale to the contrary. Ceding too much of the socialization of adolescents to their peers runs the danger of putting it in the hands of a group who lacks the knowledge and incentives to get the job done right. As I have argued elsewhere, it is the family that is the best position to do this work:

The intimacy of the family provides the parent with a deep, and often tacit, knowledge of the child that can be deployed in finding the most effective ways to transmit these social rules and norms. In addition, at least in healthy families, the parents have the best incentive to make sure that such behaviors are learned, as the family remains a major site of social interaction where appropriate behavior will make such interactions smoother, and because other family members may

suffer negative external reputation effects due to the misbehavior of children.

Children who do not learn the rules of social interaction will cause their parents to suffer both directly and indirectly, thus providing parents with an incentive to ensure that such rules are learned. In addition, there is an evolutionary explanation for parents' desire to transmit such rules to their children: children who are better able to navigate the social world are more likely to survive and pass on the parents' genetic material. (Horwitz 2005a, p. 679)

Without denying that adolescents should be treated much more like adults than infants or young children, one can still argue that they are not in a position to be full moral and economic agents, which limits the degree to which the family can and should be organized as a spontaneous order.

The whole question of the relationship between the way the family is organized and its irreplaceable socialization role is complicated one level further by Hayek's observation, noted earlier, that we have to learn to live in "two sorts of worlds at once." We constantly move back and forth between face-to-face groups such as the family, firms (at least small ones), committees, classrooms, the military, friendship or mutual-aid organizations, religious organizations, etc., and the anonymous order of the Great Society that each of them help to comprise. The organizational structure, rules and appropriate moral behavior in face-to-face groups differs from those of the Great Society. For example, the sort of self-interest that is not only acceptable but in some sense appropriate if not necessary in the anonymous market order is considered, and rightly so, to be gauche and inappropriate in face-to-face groups. Conversely, more altruistic and collectivist behavior is often appropriate and morally praiseworthy in face-to-face groups,

but potentially problematic if expanded to the anonymous Great Society (as Hayek notes in the passage noted earlier that ends with the “two sorts of worlds at once” observation.)¹⁹ From a Hayekian perspective, what socialization really means is that families must help children understand the rules and behavior that are appropriate in each type of situation and give them opportunities to learn to distinguish what sorts of situations qualify as face-to-face or anonymous, or where they sit along that continuum. This is obviously a difficult task given the complexities and subtleties involved.

The interesting conclusion we might draw is that a fully spontaneously ordered family cannot provide the socialization necessary for the spontaneous order of the Great Society to survive. If children require this sort of socialization to understand and respect the rules and structure of the Great Society, it may well be that families have to restrict the degree to which they are organized like the very Great Society whose survival depends on said families organizing themselves effectively. Some significant degree of hierarchy and command may well be necessary for the sort of instruction that socialization for living in two sorts of worlds at once requires.²⁰ This all gets complicated even further as institutions such as families and firms take on elements of both made and spontaneous orders. The challenge of helping children understand and respect all of these distinctions is perhaps greater now than its ever been, and it is parents and family who are best positioned to do this crucial work. Unfortunately, the need for this complex socialization process is becoming greater at time when the ways in which the family as a social institution seems to be increasingly centered around serving the more self-oriented needs of parents might well be weakening its effectiveness at providing children with the competencies they need for that more complex adult world.

Notes

¹ Spontaneous orders also exist in nature of course, which makes scientism even more suspect – not all science is about prediction and control. This blind spot is even worse when one notes that *science* itself has many characteristics of a spontaneous order (McQuade & Butos 2003). That so many social reformers and scientists had both a faulty view of science and then wrongly imagined they could easily apply that view to the social world remains one of the central intellectual errors of the 20th century, the consequences of which were devastating to the lives of millions of innocents.

² I have tried to begin such an investigation in Horwitz (2005a, 2005b) and Horwitz and Lewin (2008).

³ The following paragraphs draw heavily from Horwitz (2005a).

⁴ Of course such organizations have “rules,” but those rules are often processes by which hierarchical decisions are implemented, rather than the abstract rules guiding individual behavior that characterize orders. They are not, as we shall discuss below, “ends-independent,” rather they are rules about how to reach the specific ends that the organization is pursuing.

⁵ This might seem an obvious point, but it needs to be stressed as some, especially feminist critics of the family, seem to argue that families were created for, and still today serve, the purpose of exploiting women. Many of those same critics see their goal as “deconstructing” the family to expose the reality of women’s exploitation, with the implication that the family could be “reconstructed” along other lines that would ensure equality. Okin (1989) is an example of this general line of thought. Stressing the ways in which family evolved to fulfill economic and political functions need not blind us to the very real gender inequities that have characterized all but the last generation or two of the western family. Recognizing and lamenting those inequities, and working to change the rules of the game in ways that eliminate what is left of them, is appropriate and just, but it is a far cry from imagining that we can either reconstruct the family as we please, or do without it completely.

⁶ One need only consider the way in which the form of money has changed from coined precious metals to paper notes to checks to various forms of electronic transfer to see the ways in which a social institution’s form can change as changes in the surrounding environment call forth new functions.

⁷ Coontz (2005) refers to this as the movement from “yoke mates to soul mates.”

⁸ Of course, like almost all historical stories, the evolution of the family was affected by various state interventions, tempering the “purity” of the spontaneous order narrative. In the case of the family, one of the central players was the Catholic Church, which imposed a variety of rules on family formation and dissolution that carried with them the force of

law. Goody (1983) argues convincingly that many, if not all, of the major Church doctrines on family could be understood as ways for the Church to acquire land by limiting the ability of adults to create families and thus inheritors. For example, the Church's centuries-long prohibition on adoption can be understood in this light, as it made it more likely that infertile couples would give their land to the Church with no legal heirs. The same could be said about limits on the ability of widows to remarry – they frequently became nuns and gave their property to the Church. Contrast this with ancient Jewish “levirate” practice, which legally required the brother of a deceased husband to marry his widowed wife. Islam had the same practice, though it was customary, not required. Levirate marriages were a way to keep property in the family, which was precisely what the Church wanted not to happen. Clearly, the Church's imposition of self-interested rules about the family affected the way in which family evolved. I would argue, however, that the factors identified in the text remain the major explanatory variables for the long view of the history of the family.

⁹ In a later section, I will address the question of whether firms, at least more recently, might be taking on more of the characteristics of spontaneous orders as well.

¹⁰ In their discussion of the economics of the contemporary family, McKenzie and Tullock (1975, p. 106) point out that one way to understand the importance of love in the family is that it dramatically reduces the degree of shirking that takes place in the joint production processes of household production. Love helps solve the collective action problem. This observation also suggests that “sympathy,” as Adam Smith uses it in *The Theory of Moral Sentiments* (1982 [1759]), plays an important role in issues surrounding the family.

¹¹ It is important to note that even up to as late as the 1950s and 60s, married women could not get credit cards in their own names and had little recourse if their husbands decided unilaterally to move for a new job or any other reason.

¹² Coontz (2005) explores these themes in some detail.

¹³ See Goldin (2006) for a review of the literature and data on the role of women in the labor market over the course of the 20th century.

¹⁴ Interestingly, there is some evidence of a trend toward larger families among the very, very rich (Bailey 1997). This would seem to suggest the complete transformation of children from production goods to objects of consumption or status, as the income effect appears to be swamping the substitution effect with respect to changes in the demand for children at the very highest levels of income.

¹⁵ The argument below is explored in more detail in Horwitz (2007).

¹⁶ Hence, the phrase “helicopter parents” might be inapt for the phenomenon in question. It would be more accurate to describe the children as “trophy children,” which puts the

focus back on the parental need for self-actualization through (vicariously?) the accomplishments of their children.

¹⁷ Shorter wrote those words over 30 years ago in a chapter titled “Towards the Postmodern Family.” It makes for fascinating reading today, and much of what he wrote there rings true and the trends he identified have mostly continued in the direction he pointed.

¹⁸ One might note that adolescents pose problems for *any* kind of family.

¹⁹ I explore some of these issues in more depth in Horwitz (2005b).

²⁰ Although it is worth noting that socialization in families often happens by parental examples that get imitated by children, e.g., the etiquette of a restaurant might best be learned by frequent trips where children observe how their parents behave. I would argue that this example and imitation process for socialization is effective because many of the rules of the social order, both the face-to-face and anonymous groups, are tacit, making them hard to explain didactically. The imitation of socially successful behavior is a component of most spontaneous order explanations precisely because it is an effective way to convey tacit knowledge, particularly outside of the world of the market where the price system plays this role most prominently.

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